VZCZCXYZ0041 PP RUEHWEB

DE RUEHPE #3102/01 2201650 ZNY CCCCC ZZH P 081650Z AUG 06 FM AMEMBASSY LIMA TO RUEHC/SECSTATE WASHDC PRIORITY 1729 INFO RUEHBO/AMEMBASSY BOGOTA PRIORITY 3730 RUEHBR/AMEMBASSY BRASILIA PRIORITY 6927 RUEHCV/AMEMBASSY CARACAS PRIORITY 9706 RUEHLP/AMEMBASSY LA PAZ AUG 3597 RUEHQT/AMEMBASSY QUITO PRIORITY 0592 RUEHSG/AMEMBASSY SANTIAGO PRIORITY 0777 RUEHPE/USMILGP LIMA PE PRIORITY RHMFISS/CDR USSOUTHCOM MIAMI FL PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEAWJA/DEPT OF JUSTICE WASHINGTON DC PRIORITY RHEHOND/DIRONDCP WASHDC PRIORITY

CONFIDENTIAL LIMA 003102

SIPDIS

SENSITIVE SIPDIS

E.O. 12958: DECL: 08/08/2016

TAGS: <u>PGOV ECON PREL PINR PE</u> SUBJECT: GARCIA'S PRIME MINISTER AND FOREIGN, DEFENSE, AND

INTERIOR MINISTERS

REF: A. LIMA 3013 ¶B. LIMA 2923

Classified By: Ambassador J. Curtis Struble, Reasons 1.4 (b,d)

11. (SBU) President Alan Garcia has kept his pledge to form a multi-party council of ministers with only six of his 16 ministers coming from the President's own APRA party. Six of his appointees are women, more than in any previous cabinet. President Garcia's Prime Minister is Jorge del Castillo, a long time APRA member and leader, a close friend of Garcia, and an APRA Congressman from 1990 to the present. The new Foreign Minister is Jose Antonio Garcia Belaunde, a career diplomat who is expected to promote regional integration and positive relations with neighbors and with the U.S. The new Defense Minister is Allan Wagner, a career diplomat who served as Ambassador to the U.S. in 2000 and prior to his current appointment was Secretary General of the Andean Community of Nations (CAN). Wagner has indicated he seeks to increase cooperation with the U.S. The new Minister of Interior is Pilar Mazzetti, a medical surgeon specializing in neurology, who most recently was Minister of Health. Mazzetti is well respected but lacks experience in the Interior portfolio. Biographic information for these ministers follows. Biographic information on other ministers will be provided septel.

Prime Minister

12. (U) The new Prime Minister is Jorge Alfonso Alejandro DEL CASTILLO Galvez. Jorge Del Castillo is a long-time Congressman, re-elected on 4/9 to represent Lima (2006-11). Del Castillo was also elected to Congress on the APRA ticket in 1990, 1995, 2000, and 2001. In the past legislative session, he served on the Constitutional and Economy Committees. He was elected mayor of the Barranco district of Lima from 1984-86 and mayor of the city of Lima from 1987-89. He studied law and political science at San Marcos University, conducted post graduate work at the University of Piura and received a Masters in constitutional law from Peru's Catholic University. He was born in Lima on July 2, **1**1950.

- ¶3. (SBU) Del Castillo is married and has four sons; his wife and children fled to the United States during the Fujimori years where they applied for and eventually were granted political asylum. With the election of an APRA government, Ms. Del Castillo has decided to return to Peru though two of the couple's sons will remain in the U.S. to finish school.
- 14. (C) Del Castillo is one of President Garcia's closest advisors, but the relationship is not without its tensions. APRA has internal factions that range from center-right to center-left. Del Castillo heads the center-right faction, noted for the belief that economic orthodoxy and investment-friendly attitudes are key to Peru's development. Del Castillo has good relations with the business community, which is generally distrustful of APRA as a whole, and has an important base of support within Lima. From 1999 until 2004, Del Castillo was Secretary General of APRA. In the latter year Alan Garcia created a collective Secretary General post shared by three APRA faction leaders, one of which was Del Castillo. While the measure was nominally taken to reinforce party unity, many observers saw it as an effort by Garcia to check Del Castillo's growing popularity and visibility.

Foreign Affairs

- 15. (U) The new Foreign Minister is Jose Antonio GARCIA Belaunde. Garcia Belaunde is a career diplomat who served as Ambassador to Uruguay, Ambassador to the Latin American Free Trade Association (ALADI, 1986-88), and Ambassador to the Latin American Integration Association (LAIA). He also served as First Secretary in France, Mexico, Ecuador, Spain,
- and the U.S. From 1990 to 1997, he was Director-Secretary of the Board of the Cartagena Agreement.
- 16. (C) Prior to his appointment he was a special advisor to the Secretary General (see para 8) of the Andean Community of Nations (CAN). Garcia Belaunde's highest priority as minister is likely to be relations with neighboring states in South America. He believes that the Toledo Administration allowed the dispute over Peru's maritime boundary with Chile to undermine relations with an important trade and investment partner and has put improvement of ties with Santiago at the top of his agenda. Garcia Belaunde wishes to deepen the "strategic partnership" with Brazil launched by the Toledo Administration while simultaneously building a closer alliance among South America's Pacific coast nations which share (except Ecuador) the distinction of enjoying Free Trade Agreements with the United States and a privileged orientation towards Asia. In that respect, he is determined to contest growing Venezuelan influence in Bolivia and Ecuador. Given Garcia Belaunde's involvement in Andean affairs over the past several years, the Foreign Minister is less knowledgeable and confident when dealing with broader global issues, though this will likely be remedied as he gains experience in office. Garcia Belaunde will seek to maintain Peru's solid relationship with the United States even as he works to diversify what he and President Garcia see as an excessive dependence upon the United States for market access and assistance. (A dependence that in their view makes Peru vulnerable to political pressure when the USG wishes to apply it.) Towards that end, the Foreign Minister will give priority to negotiating Free Trade Agreements with European, neighboring countries and Asia.
- 17. (SBU) Garcia Belaunde is grandson of the well known Ambassador and Peruvian politician Victor Andres Belaunde. Though never an APRA party militant, Garcia Belaunde met President Garcia while attending the Catholic University. He earned a Master's degree in Foreign Relations from Oxford University before graduating from Peru's Diplomatic Academy in 1968. He was born in Lima on March 16, 1948. He has been a professor at Peru's Diplomatic Academy and at the University of San Martin de Porres.

- ¶8. (U) The new Minister of Defense is Allan WAGNER Tizon. Wagner is a prominent career diplomat and served as Secretary General of the CAN from 2004 until his current appointment. Wagner twice served as Peru's Foreign Minister for three years during President Garcia's first presidency (1985 to 1988) and during the Toledo Administration (2002 to 2003). He has also been Ambassador to Spain (1988–90), Venezuela (1990–92), and to the U.S. (2001–02), where he helped negotiate renewal of the Andean Trade Preferences Act (ATPDEA) and arranged for the first visit of a U.S. President to Peru, undertaken by President George W. Bush in May 2002.
- 19. (U) Wagner began working at the MFA in 1962 and participated in the General Agreement on Tariffs and Trade (GATT) negotiations. He graduated first in his class from the Peruvian Diplomatic Academy in 1967 and joined the diplomatic corps. He was posted to Uruguay, the U.S. (Chief of Economic Section), and Chile (Chief of Political Section). He served again in the U.S. in the early 1980s as Deputy Chief of Mission and then as Charge d'Affairs, before returning to Peru to serve as Garcia's Foreign Minister. After Fujimori's "self-coup" in 1992, Wagner resigned from the Diplomatic Service. He remained in Caracas, working until 1998 as a Director of Development for the Latin American Economic System (SELA).
- 110. (SBU) During his second term as Foreign Minister, he worked to fortify the CAN (by including Brazil as a strategic partner), negotiated Peru's associate relationship with MERCOSUR, and promoted Peru's active participation in the Asia Pacific Economic Cooperation Forum (APEC). He also

pressed for stronger relations with the U.S. and EU through investment and trade, while at the same time negotiating strategic associations with China, South Korea, and Thailand. Wagner studied engineering at the National Universities in Trujillo and Lima followed by legal studies at San Marcos University. He is married with five daughters and 11 grandchildren. He was born in Lima on February 7, 1942.

111. (C) In dealings with USG officials, Wagner has been friendly, actively seeking cooperation where he felt it would further Peru's interests, but cautious about offering personal views or positions that have not yet been fully vetted within his government. He has a good sense of humor but rarely displays emotion in negotiations. His strong sense of self-discipline leads him to strongly defend positions he might not personally agree with. (This was particularly evident when Wagner was Secretary General of the Andean Community and had to serve four member governments; Wagner at that time insistently expressed a far more benign view of Venezuela's Chavez than he had before joining the CAN.) Like most Peruvian diplomats, Wagner places great importance in universal application of international law. Thus he defends the International Criminal Court and opposes Article 98 exception agreements.

Interior

¶12. (SBU) The new minister of Interior is Pilar Elena MAZZETTI Soler. Since 2004 she was the Minister of Health. She is a trained surgeon with a specialization in neurology and an expert on public health issues. She studied at the National University of San Marcos and earned a Masters in Education at the University of San Martin de Porres. She also studied at the University of Paris and did her residency at the Salpetriere Hospital in Paris. Dr. Mazzetti has been a member of the National Institute of Neurological Science since 1987 and Director since 2001. She is also a Dean of a Lima Regional Advisory Board for Peru's College of Medicine. She speaks English and French and is single.

113. (SBU) Though she lacks specific experience in dealing with the police and law enforcement, Mazzetti has a reputation for honesty and strong management. As Minister of Health she was known for enacting incremental reform and tackling difficult issues. During the negotiations of the Peru Trade Promotion Agreement (PTPA), Mazzetti had concerns with some aspects of IPR, specifically pharmaceutical regulation, but supported the treaty once it had been negotiated. She should bring unvarnished integrity to the Interior Ministry. The USAID health program and ESTH Officer have enjoyed strong relations with Mazzetti.